

**CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2007**

	July-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Month	Net ROR	FYTD	FY07	Ended	Ended
		Actual	Policy		Net	Net	6/30/2007	6/30/2007
							Net	Net
LARGE CAP DOMESTIC EQUITY								
<i>Structured Growth</i>								
Los Angeles Capital	18,248	2.2%	2.3%	-3.21%	-3.21%	21.84%	13.35%	N/A
Total Structured Growth	18,248	2.2%	2.3%	-3.21%	-3.21%	21.84%	13.35%	10.94%
Russell 1000 Growth				-1.55%	-1.55%	19.04%	8.70%	9.28%
<i>Structured Value</i>								
LSV	17,711	2.2%	2.3%	-4.84%	-4.84%	23.77%	19.00%	16.55%
Russell 1000 Value				-4.62%	-4.62%	21.87%	15.93%	13.31%
<i>Russell 1000 Enhanced Index</i>								
LA Capital	36,138	4.4%	4.5%	-3.86%	-3.86%	21.27%	13.46%	N/A
Russell 1000				-3.09%	-3.09%	20.43%	12.34%	
<i>S&P 500 Enhanced Index</i>								
Westridge	38,909	4.7%	4.5%	-1.62%	-1.62%	21.12%	11.98%	N/A
S&P 500				-3.10%	-3.10%	20.59%	11.68%	
<i>Index</i>								
State Street	11,133			-4.09%	-4.09%	21.82%	12.34%	11.08%
Total 130/30	11,133	1.4%	1.5%	-4.09%	-4.09%	21.82%	12.34%	11.08%
S&P 500				-3.10%	-3.10%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	122,139	14.9%	15.0%	-3.22%	-3.22%	21.86%	13.76%	12.22%
S&P 500				-3.10%	-3.10%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY								
<i>Manager-of-Managers</i>								
SEI	20,770	2.5%	2.5%	-6.33%	-6.33%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-6.67%	-6.67%	18.76%	15.72%	16.16%
<i>Enhanced</i>								
Research Affiliates	19,964	2.4%	2.5%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-6.84%	-6.84%			
TOTAL SMALL CAP DOMESTIC EQUITY	40,735	5.0%	5.0%	-6.33%	-6.33%	18.39%	13.70%	14.37%
Russell 2000				-6.84%	-6.84%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY								
<i>Large Cap - Active</i>								
Capital Guardian	32,601	4.0%	4.0%	-1.85%	-1.85%	25.99%	21.19%	14.89%
LSV	34,340	4.2%	4.0%	-1.90%	-1.90%	31.24%	N/A	N/A
Total Large Cap - Active	66,942	8.2%	8.0%	-1.87%	-1.87%	28.57%	22.95%	18.43%
MSCI EAFE - 50% Hedged				-2.31%	-2.31%	26.94%	22.55%	15.71%
<i>Small Cap - Value</i>								
Lazard	8,515	1.0%	1.0%	-0.60%	-0.60%	21.03%	20.93%	N/A
Citigroup Broad Market Index < \$2BN				1.20%	1.20%	28.58%	26.34%	
<i>Small Cap - Growth</i>								
Vanguard	8,136	1.0%	1.0%	-0.46%	-0.46%	31.00%	28.08%	N/A
Citigroup Broad Market Index < \$2BN				1.20%	1.20%	28.58%	26.34%	
TOTAL INTERNATIONAL EQUITY	83,593	10.2%	10.0%	-1.62%	-1.62%	28.02%	23.43%	17.15%
MSCI EAFE - 50% Hedged				-2.31%	-2.31%	26.94%	22.55%	15.71%
DOMESTIC FIXED INCOME								
<i>Core Bond</i>								
Western Asset	160,375	19.6%	20.2%	0.16%	0.16%	7.29%	4.44%	5.64%
Lehman Aggregate				0.83%	0.83%	6.12%	3.98%	4.48%
<i>Mortgage Backed</i>								
Hyperion	45,319	5.5%	5.2%	0.09%	0.09%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				1.09%	1.09%			
<i>Core Plus/Enhanced</i>								
Clifton Group	44,859	5.5%	5.2%	1.64%	1.64%	5.52%	N/A	N/A
Prudential	43,865	5.4%	5.2%	-0.29%	-0.29%	N/A	N/A	N/A
Total Core Plus/Enhanced	88,725	10.8%	10.4%	0.67%	0.67%	5.95%	N/A	N/A
Lehman Aggregate				0.83%	0.83%	6.12%		
<i>Index</i>								
Bank of ND	79,661	9.7%	9.1%	1.11%	1.11%	5.45%	2.92%	4.32%
Lehman Gov/Credit (1)				1.00%	1.00%	6.00%	3.04%	4.35%
<i>BBB Average Quality</i>								
Wells Capital (formerly Strong)	158,300	19.3%	20.2%	-0.21%	-0.21%	7.93%	4.86%	6.59%
Lehman US Credit BAA				-0.06%	-0.06%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	532,381	65.0%	65.0%	0.27%	0.27%	7.11%	3.89%	5.04%
Lehman Aggregate (2)				0.83%	0.83%	6.12%	4.13%	4.87%
CASH EQUIVALENTS								
Bank of ND	40,762	5.0%	5.0%	0.44%	0.44%	5.36%	4.10%	3.00%
90 Day T-Bill				0.39%	0.39%	5.21%	3.78%	2.76%
TOTAL DEFERRED SICK LEAVE FUND	819,609	100.0%	100.0%	-0.82%	-0.82%	11.82%	7.58%	8.08%
POLICY TARGET BENCHMARK				-0.48%	-0.48%	10.68%	7.25%	7.42%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.